

MAR 12 2013

**North Carolina Security Breach Reporting Form**  
**Pursuant to the Identity Theft Protection Act of 2005**

Name of Business or Government Agency Owning or Licensing  
Information Affected by the Breach:

Haynes and Boone, LLP

Address: 2323 Victory Avenue, Suite 700

Dallas, TX 75219-7673

Telephone: (214) 651-5760

Fax: (214) 200-0730

Email: chris.belknap@haynesboone.com

**PLEASE SUBMIT FORM TO:**

Consumer Protection Division

NC Attorney General's Office

9001 Mail Service Center

Raleigh, NC 27699-9001

Telephone: (919) 716-6000

Toll Free in NC: (877) 566-7226

FAX: (919) 716-6050

Date Security Breach Reporting Form submitted: March 3, 2013

Date the Security Breach was discovered: January 16, 2013

Estimated number of affected individuals: 586

Estimated number of NC residents affected: 5

Name of business or government agency maintaining or possessing information that was the subject of the Security Breach, if the agency that experienced the Security Breach is not the same entity as the agency reporting the Security Breach (pursuant to N.C.G.S. § 75-65(b):

Describe the circumstances surrounding the Security Breach and state whether the information breached was in electronic or paper format:

Please See Attached Exhibits A and B

Regarding electronic information breached, state whether the information breached or potentially breached was password protected or encrypted in some manner. If so, please describe the security measures protecting the information: N/A

Describe any measures taken to prevent a similar Security Breach from occurring in the future:

Please See Attached Exhibit A and B

Date affected NC residents were/will be notified: February 28, 2013

If there has been any delay in notifying affected NC residents, describe the circumstances surrounding the delay pursuant to N.C.G.S. § 75-65(a) and (c):

If the delay was pursuant to a request from law enforcement pursuant to N.C.G.S. § 75-65(c), please include the written request or the contemporaneous memorandum.

How NC residents were/will be notified?

(pursuant to N.C.G.S. § 75-65(e))

Please attach copy of the notice if in written form or a copy of any scripted notice if in telephonic form.

☒ written notice

☐ electronic notice (email)

☐ telephone notice

☐ substitute notice

Signature:

Contact Person, Title: Christopher DiIenno, Esquire and Jennifer Coughlin, Esquire

Address: 518 Township Line Road, Suite 300, Blue Bell PA 19422

(if different from above)

Telephone: (215) 358-2100 Fax: (215) 358-5101 Email: cdiienno@nldhlaw.com

jccoughlin@nldhlaw.com

Haynes and Boone, LLP  
North Carolina Security Breach Reporting Form

## Exhibit "A"

By providing this notice, Haynes and Boone, LLP ("Haynes Boone") does not waive any rights or defenses regarding the applicability of North Carolina law or personal jurisdiction.

### I. Breach Summary

Haynes Boone, 2323 Victory Avenue, Suite 700, Dallas, TX 75219, is informing your office of pertinent facts that are known at this time related to an exposure of vendor personal information due to a mailing issue involving IRS 1099 Forms. The mailing issue occurred when two different 1099 Forms were placed in one envelope prior to mailing. This resulted in the exposure of personal information of certain vendors, including their names, addresses, Social Security numbers reflected as tax identification numbers, tax identification numbers, and the amount paid by Haynes Boone to the vendor, by unintended recipients.

Haynes Boone immediately took steps in responding to this inadvertent exposure of personal information. In addition to performing an internal investigation into the incident, Haynes Boone retained privacy and data security legal counsel Nelson, Levine, de Luca & Hamilton, LLC to assist in with its investigation of, and response to, this incident. The investigation is ongoing. This notice will be supplemented with any new significant facts learned subsequent to its submission.

### II. Information Security Measures

Haynes Boone is a law firm based in Texas. On or about January 10, 2013, Haynes Boone prepared vendor IRS 1099 Forms for mailing. Two 1099 Forms were printed per paper, each taking up one-half of the page. The paper was perforated and separated before mailing; however, due to a processing issue some vendors received their own 1099 and a 1099 of another vendor. Each 1099 contained information including vendor names, addresses, Social Security numbers, tax identification numbers, and the amount paid by Haynes Boone to the vendor.

### III. Breach Response and Notification

As discussed, Haynes Boone commenced an internal investigation to identify the vendors potentially affected by this data event and the personal information exposed. At this time, Haynes Boone is unaware of any actual or attempted misuse of the personal information. Haynes Boone established subsequent remedial measures, such as requiring all mailing from the accounting department to be signed off by an accounting supervisor or manager, to ensure that this type of situation does not happen again. Haynes Boone retained privacy and data security

counsel specializing in data breach response. Haynes Boone is providing notice of this data event to other state regulators.

Although the investigation is ongoing, it appears that five (5) North Carolina residents' personal information may have been exposed without authorization. These North Carolina residents were sent notification on or about February 28, 2013 in substantially the same form as the sample notice attached to this letter as **Exhibit B**. Haynes Boone is providing each affected vendor whose Social Security number may have been exposed with access to one year of Experian's credit monitoring services, at no cost to the affected vendor.

## Exhibit B

February 28, 2013

[ Name ]  
[ Address ]  
[ City, State Zip ]

Dear \_\_\_\_\_:

We are writing to notify you of an incident that may affect the security of your personal information. On January 16, 2013, Haynes and Boone, LLP (“Haynes Boone”) discovered that your IRS Form 1099 may have been inadvertently mailed to another Haynes Boone vendor. During mail preparation two 1099s were inadvertently placed in one enveloped resulting in some vendors receiving their own 1099 with a 1099 of another vendor. Because 1099s include names, addresses, Social Security numbers, and the amount paid to you by Haynes Boone, we are informing you that your information may have been exposed to another vendor.

If you did not receive a 1099 the week of January 14, 2013, your personal information may have been exposed to another Haynes Boone vendor. If you received your own 1099 and a 1099 of another vendor the week of January 14, 2013, your company’s personal information was not exposed to another vendor. Please destroy any 1099 that does not belong to you.

Haynes Boone takes this matter, and the safety and security of personal information, seriously. In order to ensure that this type of situation does not happen again, we are requiring all mailings from the accounting department to be signed off by an accounting supervisor or manager. In addition to taking these steps internally, Haynes Boone retained privacy and data security legal counsel to assist in identifying legal obligations arising from this event and to provide information that you can use to best protect your interests.

Although we are not aware of any actual or attempted improper use of your personal information, we retained Experian to provide—at no cost to you—one year of its ProtectMyID™ Alert identity monitoring and identity recovery services. This product helps detect possible misuse of your personal information and provides you with superior identity protection services focused on immediate identification and resolution of identity theft.

### **Activity ProtectMyID™ Now in Three Easy Steps**

1. **ENSURE** that you enroll by: May 31, 2013.

2. **VISIT** the ProtectMyID™ Web Site: [www.protectmyid.com/redeem](http://www.protectmyid.com/redeem) or call 877-371-7902 to enroll.
3. **PROVIDE** your activation code: [ code ] .

Once your ProtectMyID™ membership is activated, your credit report will be monitored daily for 50 leading indicators of identity theft. You will receive timely Credit Alerts from ProtectMyID™ on any key changes in your credit report which could include new inquiries, new credit accounts, medical collections and changes to public records.

ProtectMyID™ provides you with powerful identity protection that will help detect, protect and resolve potential identity theft. In the case that identity theft is detected, ProtectMyID™ will assign a dedicated U.S.-based Identity Theft Resolution Agent who will walk you through the process of fraud resolution from start to finish for seamless service.

We realize that identity theft can happen months and even years after a data breach. To offer added protection, you will receive ExtendCARE™, which provides you with the same high-level of Fraud Resolution support even after your ProtectMyID™ membership has expired.

Your complimentary 12-month ProtectMyID™ membership includes:

- **Credit Report:** A free copy of your Experian credit report.
- **Daily Credit Monitoring:** Alerts you of suspicious activity including new inquiries, newly opened accounts, delinquencies, or medical collections found on your Experian credit report.
- **Identity Theft Resolution:** If you have been a victim of identity theft, you will be assigned a dedicated, U.S.-based Experian Identity Theft Resolution Agent who will walk you through the fraud resolution process, from start to finish.
- **ExtendCARE:** Full access to the same personalized assistance from a highly-trained Fraud Resolution Agent even after your initial ProtectMyID™ membership expires.
- **\$1 Million Identity Theft Insurance<sup>1</sup>:** As a ProtectMyID™ member, you are immediately covered by a \$1 Million insurance policy that can help you cover certain costs including lost wages, private investigator fees, and unauthorized electronic fund transfers.

Once your enrollment in ProtectMyID™ is complete, you should carefully review your credit report for inaccurate or suspicious items. If you have any questions about ProtectMyID™, need

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<sup>1</sup> Identity theft insurance is underwritten by insurance company subsidiaries or affiliates of Chartis, Inc. The description herein is a summary and intended for informational purposes only and does not include all terms, conditions and exclusions of the policies described. Please refer to the actual policies for terms, conditions, and exclusions of coverage. Coverage may not be available in all jurisdictions.

help understanding something on your credit report or suspect that an item on your credit report may be fraudulent, please contact Experian's customer care team at 877-371-7902.

To further protect against possible identity theft or other financial loss and in addition to activating your ProtectMyID™, we encourage you to remain vigilant, to review your account statements, and to monitor your credit reports for suspicious activity. Under U.S. law, you are entitled to one free credit report annually from each of the three major credit bureaus. To order your free credit report, visit [www.annualcreditreport.com](http://www.annualcreditreport.com) or call, toll-free, 1-877-322-8228. You may also contact the three major credit bureaus directly to request a free copy of your credit report.

At no charge, you can also have these credit bureaus place a "fraud alert" on your file that alerts creditors to take additional steps to verify your identity prior to granting credit in your name. Note, however, that because it tells creditors to follow certain procedures to protect you, it may also delay your ability to obtain credit while the agency verifies your identity. As soon as one credit bureau confirms your fraud alert, the others are notified to place fraud alerts on your file. Should you wish to place a fraud alert, or should you have any questions regarding your credit report, please contact any one of the agencies listed below.

Equifax  
P.O. Box 740241  
Atlanta, GA 30348  
800-685-1111  
[www.equifax.com](http://www.equifax.com)

Experian  
P.O. Box 2104  
Allen, TX 75013  
888-397-3742  
[www.experian.com](http://www.experian.com)

TransUnion  
P.O. Box 2000  
Chester, PA 19022  
800-888-4213  
[www.transunion.com](http://www.transunion.com)

You can further educate yourself regarding identity theft, and the steps you can take to protect yourself, by contacting your state Attorney General or the Federal Trade Commission. **For North Carolina residents**, the Attorney General can be contacted at 9001 Mail Service Center, Raleigh, NC 27699-9001, 1-919-716-6400, [www.ncdoj.gov](http://www.ncdoj.gov). **For Maryland residents**, the Attorney General can be contacted at 200 St. Paul Place, 16<sup>th</sup> Floor, Baltimore, MD 21202, (888) 743-0023, [www.oag.state.md.us](http://www.oag.state.md.us).

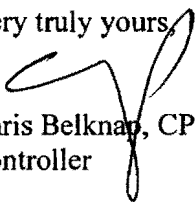
The Federal Trade Commission can be reached at:

Federal Trade Commission  
600 Pennsylvania Avenue, NW  
Washington, DC 20580  
[www.ftc.gov/bcp/edu/microsites/idtheft/](http://www.ftc.gov/bcp/edu/microsites/idtheft/)  
1-877-ID-THEFT (1-877-438-4338); TTY: 1-866-653-4261

The Federal Trade Commission encourages those who discover that their information has been misused to file a complaint with them. You can obtain further information on how to file such a complaint by way of the contact information listed above. Instances of known or suspected identity theft should also be reported to law enforcement.

We apologize for any inconvenience or concern that this may have caused you, and encourage you to contact me directly at 214-651-5760 with any questions or concerns.

Very truly yours,

  
Chris Belknap, CPA  
Controller

February 28, 2013

[ Name ]  
[ Address ]  
[ City, State Zip ]

Dear \_\_\_\_\_:

We are writing to notify you of an incident that may affect the security of your company's personal information. On January 16, 2013, Haynes and Boone, LLP ("Haynes Boone") discovered that your IRS Form 1099 may have been inadvertently mailed to another Haynes Boone vendor. During mail preparation, two 1099s were inadvertently placed in one envelope, resulting in some vendors receiving their own 1099 with a 1099 of another vendor. These 1099 forms include vendor names, addresses, tax identification numbers, and the amount paid to you by Haynes Boone.

If you did not receive a 1099 the week of January 14, 2013, your company's personal information may have been exposed to another Haynes Boone vendor. If you received your own 1099 and a 1099 of another vendor the week of January 14, 2013, your company's personal information was not exposed to another vendor. Please destroy any 1099 that does not belong to your company.

Haynes Boone takes this matter, and the safety and security of its vendors' personal information, seriously. To ensure that this does not happen again, we are requiring all mailings from the accounting department to be signed off by an accounting supervisor or manager. In addition to taking these steps internally, Haynes Boone retained privacy and data security legal counsel to assist in identifying legal obligations arising from this event and to provide information that you can use to best protect your interests.

We are not aware of any improper use of your company's personal information. However, to protect against possible identity theft or other financial loss, we encourage you to remain vigilant, to review your account statements, and to monitor your credit reports for suspicious activity. Under U.S. law, you are entitled to one free credit report annually from each of the three major credit bureaus. To order your free credit report, visit [www.annualcreditreport.com](http://www.annualcreditreport.com) or call, toll-free, 1-877-322-8228. You may also contact the three major credit bureaus directly to request a free copy of your credit report.

At no charge, you can also have these credit bureaus place a "fraud alert" on your file that alerts creditors to take additional steps to verify your identity prior to granting credit in your name. Note, however, that because it tells creditors to follow certain procedures to protect you, it may also delay your ability to obtain credit while the agency verifies your identity. As soon as one credit bureau confirms your fraud alert, the others are notified to place fraud alerts on your file.



Should you wish to place a fraud alert, or should you have any questions regarding your credit report, please contact any one of the agencies listed below.

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Atlanta, GA 30348  
800-685-1111  
www.equifax.com

Experian  
P.O. Box 2104  
Allen, TX 75013  
888-397-3742  
www.experian.com

TransUnion  
P.O. Box 2000  
Chester, PA 19022  
800-888-4213  
www.transunion.com

You can further educate yourself regarding identity theft, and the steps you can take to protect yourself, by contacting your state Attorney General or the Federal Trade Commission. **For North Carolina residents**, the Attorney General can be contacted at 9001 Mail Service Center, Raleigh, NC 27699-9001, 1-919-716-6400, [www.ncdoj.gov](http://www.ncdoj.gov). **For Maryland residents**, the Attorney General can be contacted at 200 St. Paul Place, 16<sup>th</sup> Floor, Baltimore, MD 21202, (888) 743-0023, [www.oag.state.md.us](http://www.oag.state.md.us).

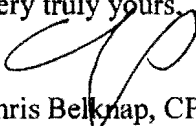
The Federal Trade Commission can be reached at:

Federal Trade Commission  
600 Pennsylvania Avenue, NW  
Washington, DC 20580  
[www.ftc.gov/bcp/edu/microsites/idtheft/](http://www.ftc.gov/bcp/edu/microsites/idtheft/)  
1-877-ID-THEFT (1-877-438-4338); TTY: 1-866-653-4261

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